G. R. S. 58]

Previous references. 1873
191

File No. 3

Serial Nos. 1–5.

Later references.

GENERAL AND REVENUE SECRETARIAT

Serial Nos. 1 to 5

In ~~Part~~ B for August 1878.

SUBJECT.

Levy of Stamp duty on Security bonds of Toddy &c., Contracts.

Mirza Nazeer Hussain

GPB—10,000—23-3-15

No. 569.

Memorandum

Letter No. 381/181 of 4th November 1873 from the Commissioner of the Nagar Division.

By this Office Memo No. 107 of 15th May 1868 the Commissioner was requested to report on the petition therein enclosed received from one Venkatiah Toddy Contractor of the Doddéri Talook, Chitaldroog District who complained of his having been levied by an excessive value of Stamp for executing a bail bond.

2. In reply he stated that it appeared to him by the report of the Deputy Superte. whom it was referred the Moochalikas and Surety Bonds are taken on a Stamp of the full value as laid down

ven in Clause XII of Schedule
of Act X of 1862 and deeming
e Clause pointed by the
puty Commissioner to be, in
s opinion, improper, recom-
rended the application of
lause I Schedule B of Act
VI of 1867, and further added
at he has directed the Deputy
ommissioner to refund the
ees levied from the petitioner.
his was approved, of in
his Office letter No. 1742/149 of
he 24th June 1868.

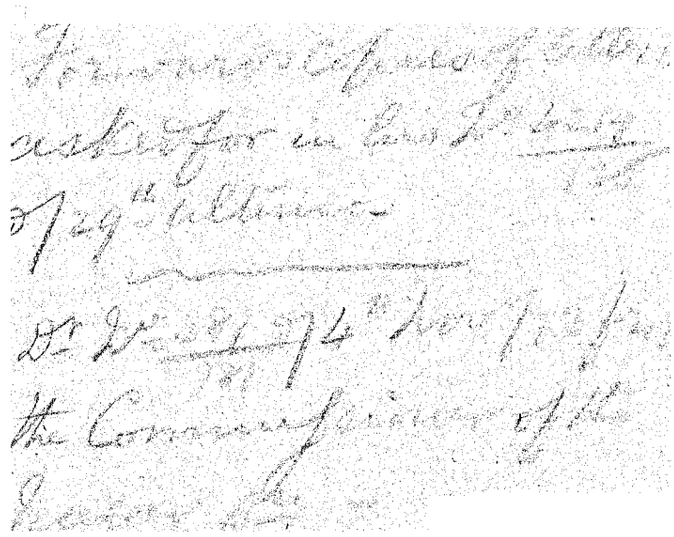
With reference to the
bove, the Superintendent
tated that in the Districts
f Shimoga and Kadoor, the
addy Contract Bonds were
drawn up on 8 annas stamp
aper, while in the Kadoor
District they were written on
apers of the value described
nder Section 5 of Schedule I
f the General Stamp Act, ex-
pressing himself in favor of
the system adopted in the latter
Dist

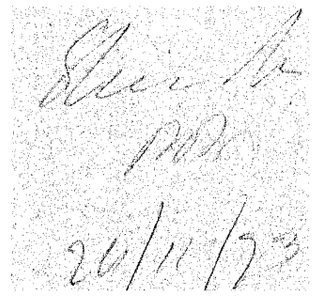
solicited definite orders on the subject.

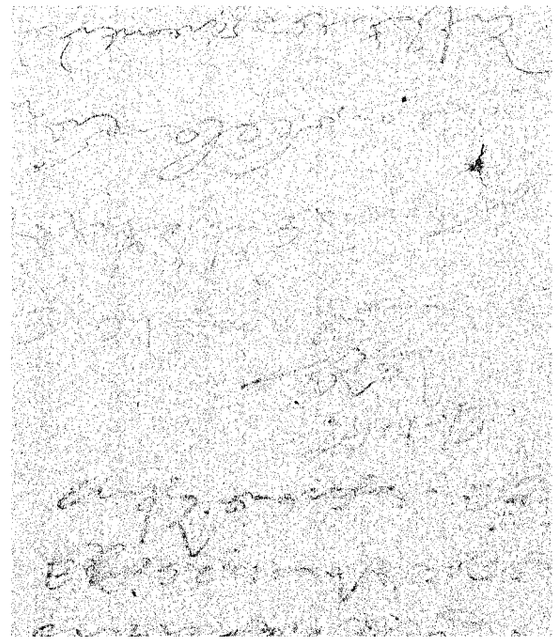
4. No reply having been received to the above Communication, the Superintendent invited the attention of this Office in a reminder No. 105/60 dated 29th May 1872.

5. The delay in the disposal of the above paper was owing to its having been mislaid. ~~The copy of it was obtained~~ ~~applied for~~ and sent to me for disposal. The Commr. of the Nagar Division may be informed that the Course he has adopted as described in para 2 is correct, and that this Office Docket No. 1742/149 of 24th June 1868 was based upon the provisions of the then Stamp Act XXVI of 1867, which has been superseded by the Central Stamp Act XVIII of 1869.

M. Saunders 29/6/73







Secretariat Circular No 3 of dy 20.11.73.

6. Orders based on the foregoing Memo were communicated to the Commissioner of Lands in this Office docket No 4937/154 dated 22 December 1873.

In forwarding certain documents to the Inspector General of Registration the Registrar of the Shimoga District stated that the documents in question were for the due fulfilment of a Contract entered into between the Forest Dept and a certain Contractor for the supply of bamboos that during the Quarterly Inspection of the Sub Registry Office books, &c

No 54 dy 25-3-75. Within the file

was found that the stamps on the documents were insufficient and consequently the Sub Registrar was directed to recover the deficient stamp duty. The Sub Registrar after collecting the duty, sent up the documents to the Dy Comm^r for the necessary Certificates under Section 25 of the General Stamp Act. The latter officer returned the documents to the Sub Registrar as being not only Contracts but also Surety bonds and directed him to recover a further stamp duty, equal in value, to the duty of the Contract bonds. Under

Registrar enquired of the Inspector General whether the proper stamp duty on the security is as ordered by the Dy Comm^r or whether Rs 2 should be levied under Schedule II clause 20 of the General stamp Act.

8. In reply, the Inspector General stated that the documents in question were, as observed by the Dy Comm^r, not only Contracts but also Security Bonds each requiring a separate stamp duty of Rs 2 under article 20 Schedule II of the General Stamp Act.

not in the file
Ins 4 dy 3-4-78

In July 1878 the Dy
Conservr of Shemogah brought
to the notice of the Commr
that in accordance with
the instructions conveyed
in this office No 4937/184 dd 22
December/73 both the
bonds of Toddy Contracts
and their Security bonds
are now subjected to pay
the full stamp duty
prescribed in article 5
of Schedule I of the General
Stamp Act. But from
the Correspondence above
referred to it will be
seen that the Registrar
General has decided that
Security bonds in respect
of Contracts to supply
wood to the Forest
Deptt are liable to

No 366 dy 22-7-78.

8

such under article
20 of Schedule II of the
Stamp Act. As the
performance of the act
of paying the Coddy Revenue
according to instalments
is secured by a bond
executed on stamped paper
by the Contractor, Major
Hill doubted if the
security bond in respect
of such Contract would
not properly fall under
article 20 Schedule II -
He therefore requested
that the Chief Comm^r
might be moved to
reconsider the ruling
contained in Secy's No 4
154
to The Comm^r of Rajs
submits copies of the

8/2 Dec/73

No 364/154 dt 29/7/78.

above correspondence for Chief Commr's definite orders on the subject and states that the view entertained by the Dy Commr that as the original bond executed by the Contractors are duly stamped with the ad valorem duty for the amount of the Contract, the bail bonds come under article 20 of the Second Schedule, appears to him to be correct.

11. I submit so too. The instructions conveyed in this Opn N 4937 of 2nd Decr 75 may stand be withdrawn & the orders of the Govt of Bengal adopted

C.H. Thornhill
12/8/78

Subject appears proceedings for favorable consideration
Dr Comptroller
H.L. Anderson
13/8

I agree.
approved.
13/8

From The Offg. Secy. to the

To Chief Commr.

Commr. of Nagpur

Dated.

Despatched. 29th October.

Received.

Enclosures No.

General No. 4219

No. 1263 1873-74.

S. R

Requests to be furnished with duplicate copies of your Office letters specified in the margin, the originals having been mislaid in this Office

No. 398 dt. 6th Novr. 1868

Reminder 105/60 dt. 29th May 1869

To Nagpur 1742/149 dt. 24 June 1868

From - " 133/43 dt. 15th June 1869

(By Order)

Dor Offg. Secy.

Natalia 2017

1873.

11

From, The Offg: Commissioner
Lagar Division.

No. 381 24/11
Q. 181 /11
23
S.R
3-73
2

To,
The Secretary to the Chief
Commissioner. General Dept.
Dated 4th November 1873.

Your docket No. 4219 dated
Oct 26
29th Ultimo.

Forwards copies of the letters
asked for in the above.

H W Keene
Offg: Commissioner
Lagar Division

M

1873.74

From The Offg: Commr
Nagpur Dn

To Secretary to Chief Commissioner,
General Department.

Dated. 4th November 1873

espatched. 7th "

eceived. 11th "

Reply 12th "

Enclosures No 1

eneral No. 3812 1873-74

C. No. 181 S

Subject.

Forwards copies of the letter
asked for in his No. 4219/126
29th ultimo —

Z. Duffer
12/11/73.

From

To The Commr of Coorg &c

Dated. 6th November

Despatched.

Received.

Enclosures No.

General No. 398

Ly No. 199

With reference to your office &c
Lr No 1742 of 24th June 1868 has the hon
to state that the Sey Supdt of Cus
& Shemogah have reported that
bonds on Toddy Contracts are
executed on 8 anna stamp paper whil
in the Chittaldroog Distt they
are executed on stamp papers
of the value laid down in
Sections 5 of Schedule I of the
General Stamp Act.

It appears to the Supdt that
Toddy contract

missing

General No. 398
Gl Ec. 199.

1871.

From

The Commissioner
Nagar Division

To.

The Secretary to the Chief Commr.
General Department.

Dated 6th November 1871.

With reference to your office Docket No. 7742/49 dated 24th June 1868, has the honor to state that the Deputy Superintendents of Ladoor and Shemoga have reported that bonds for Coddy contracts are executed on 8 anna Stamps, while in the Chittledroog District, they are executed on stamp papers of the value laid down in Section 5 of Schedule I of the General Stamp Act. It appears to the Superintendent that Coddy contract and bail bonds should be treated under the above Section of the General Stamp Act and requests instructions on the subject, with a view to definite orders

being issued to the Deputy Superintendents. 15

(Signed) A. C. Hay
Superintendent
Cagar Dee

1872.

No. 105/60

From.

The Commissioner
Cagar Division.

To.

The Secretary to the Chief
Commissioner General Department.

Dated 29th May 1872

This office No. 398/199 of 6th November 71.

Requests an early reply to the above
Communication.

for A. M. Elliott
Offg: Superintendent
Cagar Dee

1868

No. 1.742/149.

From.

The Secretary to the Chief
Commissioner of Lucknow.

To

The Superintendent of the
Sagar Division.

Dated Bangalore 24th June 1868

Your letter No. 133/43 of the 15th Instant.
reporting on the petition of Venkatiah Goddy con-
-tractor of the Dodderi Taluka.

Intimates in reply that the Commissioner
approves of the orders issued by you to the Deputy
Superintendent of the Chitteldroog District, re=
=garding the Value of the stamp required for the
Contractor's security bond.

"By order"
(Signed) J. A. Campbell
Secretary

General No. 133
Rev. 43

Sagar Division Superintendent's
Shimoga 15th June 1868.

To.

The Secretary to the Chief
Commissioner of Mysore

Sir,

With reference to your official lett
&

No. 107 of 15th May 1868 enclosing an Arzee received from Venkatiah Goddy Contractor of the Goddery Yalooka in the Chittledroog District. I have the honor to forward copy of letter No. 130 of the 4th Instant received from the Deputy Superintendent on the subject alluded to in the Arzee, and to state, that it seems by the report that Seroochilikas & Security bonds are taken on a Stamp of the full Value laid down in clause XII of Schedule A of Act X of 1862.

2. But in my opinion the clause pointed out by the Deputy Superintendent appears improper; clause 1 Schedule B of Act XXXI of 67 which requires a Stamp of 8 annas being applicable to the present case.

3. Under this interpretation of the provisions of the Amended Stamp Act, I have directed Mr. Christina Row to refund the excess that has been levied from the petitioner, whose Arzee is herewith returned.

I have the honor to be,

Sir,

Your most obedient Servant

sd/ A.L. Aay

Superintendent

Durgar &c

"True copies"

H Sheriff

Offg. Commissioner

4937
No. 154.

1
a-3

Genl

From 1873.

To The Commissioner of the Nagar Division

Dated 2nd December 1873

Despatched "

Received Regd 4—12—73

S.R
3-7 3
3

Enclosures No.

General No. 4937 } 1873/74
No. 154 }

With advertance to your letter No. 398/199 dated 6th March 1871 the Commr is informed that the Course he has adopted is correct in fixing the value of the Stamps upon Bail Bonds and Mookhalikas under the provision of the General Stamp Act XVIII of 1869

This Office Docket No. 174/149

07

of 24th June 1868 was based upon the provisions
of the then Stamp Act XXVI of 1867 which has
been superseded by the one now above mentioned

By Order

Asst Secretary

To Shaftesbury

3-8-78

187 114

From The Commissioner

To Nagar Dy

Secretary to Chief Commissioner,
General Department.

Dated 24

Despatched 31st July 78

Received 3rd August 1878.

Pages 5 — 4

ENCLOSURES NO 1

S.R 3-78

General No. 364 } 1878-79.
Genl No. 454

Circular

With reference to his No. 4237 dated 2nd December 1873, has the honor to forward copy of Shimoga Deputy Commr letter No. 366 dated 22nd Instant and of its enclosures, regarding the Stamp duty to be levied on bail bonds of Taddy contracts.

The view entertained by the Deputy Commissio that as the original bon by the Contractors are duly stamped with the advalorem duty of the amount of the contra

the

24

the bail bonds commanded in article 20 of the second schedule of the stamp Act, appears to the Commissioner to be correct, but the favor of the chief Commissioner's definite instructions is solicited.

Manekji
Commissioner
Nagar Dt

Cuttack

Dated 22nd July 1878.

To

The Commissioner
Nagar Dn.

Encl. to 2 C 4

Sir,

I have the honor to bring to your notice that in accordance with the instructions conveyed in Secretary's docket No. 4937/154 dated 2nd December 1873 (received with your office cir No 404 dated 14 "Idem) both the bonds of Toddy Contracts and their security bonds are now subjected to pay the full stamp duty prescribed in article 5 of schedule I of the General Stamp Act. But from the copy of correspondence herein enclosed, it will be seen that the Registrar General has decided that security bonds in respect of contracts to supply wood to the Forest Department are liable to a stamp duty of Rs 2 each under Article 20 of schedule II of the stamp Act, which runs thus:-

"Bond or Mortgage deed executed
"as a collateral security for the per-
"formance of any act, where such
"performance is secured by some
"instrument previously executed on
"stamped paper in accordance with

P.T.

% Dispr Genl of Registration No 54 of 25 March 1875
from Dn - No 4 dated 3rd April 1875.

the law in force in British India at the time of its execution."

As the performance of the act of having the Taddy revenue according to instalments, is secured by a bond executed on stamped paper by the contractor, I doubt if the security bond in respect of such contract, does not properly fall under article 20 schedule II. I therefor request that the Chief Commissioner may be moved to reconsider the ruling containing in the Secretary's docket above quoted.

I have the honor &c
Sd/ W. Hill
Deputy Commissioner
Shimoga Dt.

No 54. Shimoga Dt. Registration Department
Shimoga, dated 25th March 1875

To
The Inspector General of
Registration Mysore

Sir,

In forwarding herewith 3 documents together with the correspondence that has passed between this office and those of the Sub Registrar of Shimoga and the Deputy Commissioner of the Shimoga District

thereon, I have the honor to state that the documents in question are for the due fulfilment of a contract entered into between the Forest Department and a certain Contractor for the supply of Bamboos, &c.

2. During the quarterly Inspection of the Sub Registry office books, it was found that the stamps on the documents were insufficient and consequently the sub Registrar was directed to recover the deficient stamp duty during which the documents were sent up by the Sub Registrar to the Deputy Commr. for the necessary certificates under Section 25 of the General Stamp Act.

3. The Deputy Commissioner returned the documents to the Sub Registrar as they not only contracts but also surety bonds and directed the Sub Registrar to recover a further stamp duty, equal in value to the duty of the Contract bonds, under these circumstances, I request you'll being good enough to inform me whether the proper stamp duty on the security is as ordered by the

Deputy

Deputy Commr. to whether Rs 2 should
be levied under Schedule II clause 21
of the General Stamp Act.

I have &c
(Sd) W. J. C.

"True copy"
(Sd) W. Hill
Deputy Commissr
Shimoga

1875.

From
The Inspector General
of Registration
To
The Registrar,
Shimoga

Dated 3d April 1875

No. 4.

Your letter No. 54 dated 25th Instant.

Returns the enclosures of the above and states that the documents in question are, as observed by the Deputy Commissr, not only contracts but also security Bonds each requiring a separate stamp duty of Rs 2 under Article 20 Schedule II of the General Stamp Act.

(Sd) H. Hudson
Inspector General

"True copy"
(Sd) W. Hill
Deputy Commissioner
Shimoga

"True copies"

Docket No 154 dated 29th July 1878 from the Commissioners of the Nagar Division.

Section S R 7 5

Order thereon — The ~~Commissioners~~ ~~Correct in his assumption~~ ~~that as the~~ original bond ~~except~~ by the Contractor are duly stamped with the advalorem duty for the amount of the Contract, the ~~said~~ bonds, executed as collateral securities under article 20 of the Schedule II of the Stamp Act, ~~The instructions~~ conveyed in the Office Memo No 4937/154 dated 2nd December 1873 ~~are hereby withdrawn~~.

The Captain concurs in the view here taken

but

and each such bond requires a Stamp of Rs 2 in each case - These instructions he observes generally except in suspension of these

Received 30 July 1878

for Secretary

To ~~Asstt~~

The Commr of the Nagar Division

~~The Inspector General of~~ ~~Registration~~ Stamps & Commr of Abkarry

Commr of Salt & Land Revenue

Proceedings of the Chief Commissioner of Mysore, General Department,
23rd August 1878.

From the Commissioner, Nagar Division, To the Secretary to the Chief Commissioner of Mysore, General Department, No. 364—Genl. 154, dated 29th July 1878.

With reference to No. 4937—Gl. 154, dated 2nd December 1873, has the honor to forward copy of Shimoga Deputy Commissioner's letter No. 366, dated 22nd instant, and of its enclosures, regarding the stamp duty to be levied on bail bonds of toddy contracts.

The view entertained by the Deputy Commissioner that as the original bonds by the contractors are duly stamped with the *advalorem* duty for the amount of the contracts, the bail bonds come under article 20 of the second schedule of the Stamp Act, appears to the Commissioner to be correct ; but the favor of the Chief Commissioner's definite instructions is solicited.

From the Deputy Commissioner, Shimoga District, To the Commissioner, Nagar Division, No. 366, dated 22nd July 1878.

I have the honor to bring to your notice that, in accordance with the instructions conveyed in Secretary's docket No. 4937—154, dated 2nd December 1873, (received with your office circular No. 404, dated 14th idem) both the bonds of toddy contracts and their security bonds are now subjected to pay the full stamp duty prescribed in article 5 of schedule I of the General Stamp Act. But from the copy of * correspondence herein enclosed, it will be seen that the Registrar General has decided that security bonds in respect of contracts to supply wood to the Forest Department are liable to a stamp duty of Rs. 2 each under article 20 of schedule II of the Stamp Act, which runs thus :—

* To Inspector General of Registration No. 54, dated 25th March 1875.
From Do No. 4, dated 3rd April 1875.

"Bond or mortgage deed executed as a collateral security for the performance of any act, where "such performance is secured by some instrument previously executed on stamped paper in accordance "with the law in force in British India at the time of its execution."

As the performance of the act of paying the toddy revenue according to instalments is secured by a bond executed on stamped paper by the contractor, I doubt if the security bond in respect of such contract does not properly fall under article 20, schedule II. I therefore request that the Chief Commissioner may be moved to reconsider the ruling containing in the Secretary's docket above quoted.

No. 4111—Genl. 98, dated Bangalore, 23rd August 1878.

Order thereon.—The Chief Commissioner concurs in the view that, where the original bond executed by a contractor is duly stamped with the *advalorem* duty for the amount of the contract, bonds executed as collateral security fall under article 20 of the schedule II of the Stamp Act, and are liable only to a stamp of Rs. 2 in each case. These instructions will be observed hereafter, in supersession of those conveyed in this office No. 4937—154, dated 2nd December 1873.

T. CLARKE,
Secretary.

To—The Commissioner of the Nagar Division.
" Commissioners of Nundydroog and Ashtagram Divisions.
" Dy. Commissioners of Districts.
" Inspector General of Registration.
" Chief Engineer
" Conservator of Forests

28: 297 555

1878.

GOVERNMENT OF MYSORE.

GENERAL.

S. R
3-7
5

To

THE COMMISSIONER, NAGAR DIVISION.
" COMMRS., NUNDYDROOG AND ASHTAGRAM DIVISIONS.
" DY. COMMISSIONERS OF DISTRICTS.
" INSPR. GENERAL OF REGISTRATION

Dated August 23rd.

Despatched

Received.

No. 4111
Gl. 98

In supersession of orders contained in Chief Commissioner's Proceedings No. 4937 154, dated 2nd December 1873, convey instructions for the levy of stamp duty on security bonds of toddy, &c., contracts.